

AMENDED IN ASSEMBLY MAY 2, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2927

Introduced by Assembly Member Wiggins

February 25, 2002

An act to amend ~~Section 15037.1~~ of Sections 15001, 15002, 15003, 15003.3, 15003.4, 15003.5, 15005, 15006, 15007, 15010, 15011, 15012, 15020, 15020.1, 15020.2, 15020.3, 15020.5, 15021, 15022, 15023, 15024, 15025, 15026, 15028, 15029, 15029.5, 15030, 15031, 15031.5, 15032, 15032.5, 15033, 15034, 15035, 15036, 15037, 15037.1, 15037.3, 15037.5, 15038, 15038.5, 15039, 15039.5, 15039.7, 15040, 15041, 15042, 15043, 15045, 15046, 15050, 15051, 15052, 15053, 15054, 15055, 15056, 15056.6, 15057, 15061, 15071, 15075, 15075.1, 15076, 15077, 15077.5, 15078, 15079, 15081, 15082, and 15087 of, and to amend the heading of Chapter 3 (commencing with Section 15020) of, the heading of Chapter 4 (commencing with Section 15030) of, the heading of Chapter 4.5 (commencing with Section 15035) of, and the heading of Chapter 5 (commencing with Section 15040) of Division 8 of, the Unemployment Insurance Code, relating to unemployment insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2927, as amended, Wiggins. State Job Training Coordinating Council: statewide workforce preparation: assessment of programs.

Existing law provides that the State Job Training Coordinating Council is established to assess, among other things, the accomplishments of California's workforce preparation system, by

measuring the performance of designated state and federally funded programs.

This bill would, for purposes of this duty, ~~eliminate a reference change references~~ to the obsolete Job Training Partnership Act, and instead ~~include those programs receiving funds under~~ make references to the successor Workforce Investment Act.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 15037.1 of the Unemployment~~

2 ~~SECTION 1. Section 15001 of the Unemployment Insurance~~
3 ~~Code is amended to read:~~

4 15001. It is the purpose of this division to establish a program
5 of job preparation, training, and placement services which enable
6 economically disadvantaged persons to participate fully in the
7 mainstream of our economy and thereby promote the economic
8 security of families they now head or will in the future head, and
9 which carries out the objectives, purposes and provisions of the
10 Aid to Families with Dependent Children (AFDC) program
11 established pursuant to Chapter 2 (commencing with Section
12 11200) of Part 3 of Division 9 of the Welfare and Institutions Code.
13 To achieve these purposes it is the intent of the Legislature that a
14 service system be implemented which incorporates the following
15 elements:

16 (a) Integration of benefits and services under the Aid to
17 Families with Dependent Children program with employment
18 services, including the following:

19 (1) Application and screening of eligible participants.

20 (2) Assessment of each participant's employment potential and
21 training needs.

22 (3) Immediate job search assistance and imparting of self-help
23 job search skills for employment in unsubsidized jobs.

24 (4) Placement in appropriate training programs for those
25 participants not otherwise job ready.

26 (b) Integration of those state and federal job training programs
27 now authorized by law and designed to serve persons eligible
28 under this division.

(c) Overall program direction by the department whose functions under this division shall include:

(1) Overall direction, under the policies established by the ~~State Job Training Coordinating Council~~ *California Workforce Investment Board*, of the statewide programs administered in ~~service-delivery~~ *local workforce investment* areas under this division, including establishment of basic program standards consistent with the provisions of this division and the provisions of Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, review of ~~service-delivery~~ *local workforce investment* area plans, allocation and distribution to grant recipients selected within ~~service-delivery~~ *local workforce investment* areas of funds from the block grant established pursuant to Chapter 8 (commencing with Section 15080), and assessment of ~~service-delivery~~ *local workforce investment* area performance based on standards that measure results rather than process.

(2) Administration, either directly or by contract with another entity, of these statewide programs in ~~service-delivery~~ *local workforce investment* areas that request the state to assume this function.

(3) Administration of demonstration programs testing innovative approaches to assisting clients eligible under this division to find unsubsidized employment.

(4) Administration of special assistance programs to areas facing urgent employment and training needs that cross jurisdictional lines or that result from major plant closures, arrival and resettlement of a significant number of refugees, or comparable circumstances.

(d) Local administration and operation of the statewide programs under this division, in accordance with an approved ~~service-delivery~~ *local workforce investment* area plan.

(e) Planning, design, and local oversight by local ~~private industry councils~~ *workforce investment boards* pursuant to this division to ensure that the ~~service-delivery~~ *local workforce investment* area plan responds appropriately to local economic conditions, local employment needs, and business and economic development strategies planned or being implemented within the area, as well as complies with the basic standards and provisions of this division.

(f) Streamlining of the funding for programs authorized under this division, in accordance with the following principles:

(1) Consolidation of funds in the Consolidated Work Program Fund pursuant to Section 15082, for distribution to the grant recipients selected within the ~~service delivery~~ *local workforce investment* areas to carry out the approved plans, of:

(A) Those federal and state funds heretofore appropriated on a categorical basis for various programs authorized to provide job preparation, training, and placement services, which programs are integrated by this division into the locally operated statewide programs.

(B) Other funds that the federal government may make available or the Legislature may appropriate for the statewide programs.

(2) Retention by the department of the following funding sources:

(A) The ~~service delivery~~ *local workforce investment* area's share of block grant funds distributed under paragraph (1), to support provision of services to ~~service delivery~~ *local workforce investment* area residents eligible under this division, in those ~~service delivery~~ *local workforce investment* areas where the state assumes this function in accordance with paragraph (2) of subdivision (c).

(B) Federal and state funds received for the operation of demonstration and special assistance programs serving persons eligible under this division. When a demonstration program and its funding level become suitable for statewide institutionalization, local administrative responsibility for the program shall be assigned to the administrative entity within the service delivery area and its funding shall be moved to the Consolidated Work Program Fund established under paragraph (1).

SEC. 2. Section 15002 of the Unemployment Insurance Code is amended to read:

15002. The following definitions shall govern the construction of this division:

(a) "Director" means the *Executive* Director of the ~~department~~ *California Workforce Investment Board* selected by the Governor to administer the provisions of this division.

(b) “Department” means the ~~department~~—*California Workforce Investment Board* selected by the Governor to administer the provisions of this division.

(c) “Local council” means the ~~private industry council~~—*Local Workforce Investment Board* established in accordance with the provisions of this division.

(d) ~~“State council” means the State Job Training Coordinating Council established under Chapter 4.5 (commencing with Section 15035) of Division 8 “California Workforce Investment Board”~~ *is this state’s board created pursuant to Section 2821 of Title 29 of the United States Code.*

(e) ~~“Service delivery area plan”~~ “*Local Workforce Investment Plan*” means that plan prepared for the ~~service delivery~~—*local workforce investment* area which satisfies the requirements of a ~~Job Training Plan~~—*workforce investment system* under the provisions of the federal ~~Job Training Partnership Act~~—*Workforce Investment Act of 1998 (29 U.S.C. Sec. 2801 et seq.)* and the additional requirements of this division.

SEC. 3. *Section 15003 of the Unemployment Insurance Code is amended to read:*

15003. The Legislature finds and declares that ~~Section 126 of the federal Job Training Partnership Act~~—*the Workforce Investment Act of 1998* allows the enactment of state legislation to implement the federal ~~Job Training Partnership Act~~—*Workforce Investment Act of 1998* programs, provided the state legislation is consistent with that federal act.

SEC. 4. *Section 15003.3 of the Unemployment Insurance Code is amended to read:*

15003.3. Economically disadvantaged women and minorities shall be served with federal ~~Job Training Partnership Act~~—*Workforce Investment Act of 1998* funds, ~~with respect to Title I and Title II of the act,~~ at a rate that approximates their rate of representation and need for job training among the economically disadvantaged within each ~~service delivery~~—*local workforce investment* area.

SEC. 5. *Section 15003.4 of the Unemployment Insurance Code is amended to read:*

15003.4. It is the intent of the Legislature that, beginning January 1, 1998, welfare recipients shall be served with federal ~~Job Training Partnership Act~~—*funds under Title II and Title III of that*

1 ~~act~~ *Workforce Investment Act of 1998 funds* to the maximum extent
2 permitted under federal law within each ~~service-delivery-local~~
3 *workforce investment* area.

4 *SEC. 6. Section 15003.5 of the Unemployment Insurance*
5 *Code is amended to read:*

6 15003.5. It is the intent of the Legislature that the Governor
7 request a waiver from the United States Department of Labor on
8 restrictions under regulations adopted pursuant to the federal ~~Job~~
9 ~~Training Partnership Act~~ *Workforce Investment Act of 1998* that
10 prevent the provision of training and post termination services for
11 the year after placement on a job and prevent the use of stand-alone
12 job search, job club, job search assistance, and work experience
13 activities, as appropriate, to prepare individuals for employment.

14 *SEC. 7. Section 15005 of the Unemployment Insurance Code*
15 *is amended to read:*

16 15005. The designation of service delivery areas shall be
17 consistent with the requirements of the federal ~~Job Training~~
18 ~~Partnership Act~~ *Workforce Investment Act of 1998*. Units of
19 general local government with populations of ~~200,000-500,000~~ or
20 more and consortia of contiguous units of local government with
21 an aggregate population of ~~200,000-500,000~~ or more which serve
22 a substantial part of a labor market area shall be designated ~~service~~
23 ~~delivery-local~~ *workforce investment* areas, if they so request.
24 Furthermore, consideration shall be given to ~~service-delivery-local~~
25 *workforce investment* area requests from any unit of general local
26 government, with a population level below ~~200,000-500,000~~,
27 which served as a prime sponsor under the ~~Comprehensive~~
28 ~~Employment and Training Act~~ *Workforce Investment Act of 1998*.

29 *SEC. 8. Section 15006 of the Unemployment Insurance Code*
30 *is amended to read:*

31 15006. (a) The Legislature recognizes that counties are the
32 units of local government designated to administer public
33 assistance programs in California. It is the intent of the Legislature
34 that access to public assistance benefits be integrated with access
35 to employment and training services provided pursuant to this
36 division. In the event that another unit of general government
37 within a county or a consortium of units of general local
38 government is also designated as a ~~service-delivery-local~~
39 *workforce investment* area pursuant to the federal ~~Job Training~~
40 ~~Partnership Act~~ *Workforce Investment Act of 1998*, the ~~service~~

~~delivery-local workforce investment~~ area plan for that ~~service~~
~~delivery-local workforce investment~~ area shall describe the agreed
upon methods and procedures whereby employment and training
services to public assistance recipients are tied to and a part of the
system of integrated access to Public Assistance and Employment
and Training Services within the county. Counties shall provide
full cooperation to those entities within the county administering
a ~~service-delivery-local workforce investment~~ area plan to assist in
the establishment of appropriate linkages.

(b) The ~~service-delivery-area-local workforce investment~~ plan
for a ~~service-delivery-local workforce investment~~ area which
includes a county which has an approved or proposed plan for the
provision of employment and training services for public
assistance recipients under Article 3.2 (commencing with Section
11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and
Institutions Code shall contain a certification by each county that
the ~~service-delivery-local workforce investment~~ area plan is
consistent with the county plan in the provision of sufficient
services under this division for registrants under that article. If the
~~service-delivery-local workforce investment~~ area plan does not
contain the county certification required under this subdivision,
the ~~state-council-California Workforce Investment Board~~ shall
certify that the ~~service-delivery-local workforce investment~~ area
plan is consistent with the county plan in the provision of sufficient
services under this division for registrants under that article.

SEC. 9. *Section 15007 of the Unemployment Insurance Code*
is amended to read:

15007. The director, pursuant to policies established by the
~~state-council-California Workforce Investment Board~~, shall
allocate to units of general government designated as a ~~service~~
~~delivery-local workforce investment~~ area, such funds as may be
determined prudent and necessary from funds available in the
Consolidated Work Program Fund in excess of those funds
provided by the federal ~~Job Training Partnership Act-Workforce~~
~~Investment Act of 1998~~. Funds allocated from the Consolidated
Work Program Fund shall be used in accordance with the enabling
statutes of those programs in the fund.

SEC. 10. *Section 15010 of the Unemployment Insurance Code*
is amended to read:

1 15010. Persons eligible to receive services provided under
2 this division with funds from the Consolidated Work Program
3 Fund including federal funds received through ~~Titles I and II~~
4 ~~Subchapters I and II~~ of, but excluding ~~Titles III and IV~~
5 ~~Subchapters III and IV~~ of, the federal ~~Job Training Partnership Act~~
6 *Workforce Investment Act of 1998* shall be limited to the
7 following:

8 (a) Persons who have entered into contracts with counties for
9 services under this division pursuant to Article 3.2 (commencing
10 with Section 11320) of Chapter 2 of Part 3 of Division 9 of the
11 Welfare and Institutions Code.

12 (b) Members of families which are applicants for, are
13 receiving, or which would be eligible to receive, in the absence of
14 services provided under this division, benefits provided by the Aid
15 to Families with Dependent Children program pursuant to Chapter
16 2 (commencing with Section 11200) of Part 3 of Division 9 of the
17 Welfare and Institutions Code.

18 (c) Persons who are receiving or who, in the absence of services
19 provided under this division, would be eligible to receive food
20 stamps pursuant to Chapter 10 (commencing with Section 18900)
21 of Part 6 of Division 9 of the Welfare and Institutions Code.

22 (d) Persons who are receiving or would, in the absence of
23 services provided under this division, qualify in the county of
24 application for benefits under that county's general assistance
25 program pursuant to Part 5 (commencing with Section 17000) of
26 Division 9 of the Welfare and Institutions Code.

27 (e) Other persons who are eligible for services under the federal
28 ~~Job Training Partnership Act~~ *Workforce Investment Act of 1998*.

29 *SEC. 11. Section 15011 of the Unemployment Insurance Code*
30 *is amended to read:*

31 15011. (a) In the event that available funding is not sufficient
32 to provide the full range of services authorized under this division
33 to all those meeting the eligibility standards specified in Section
34 15010, the department, pursuant to policies established by the ~~state~~
35 ~~council~~ *California Workforce Investment Board*, shall establish
36 criteria to be used in ~~service delivery~~ *local workforce investment*
37 areas in determining both of the following:

38 (1) The priority order among eligible persons for access to
39 services.

1 (2) The priority order among the types of services to be
2 provided.

3 These criteria shall provide sufficient flexibility in order that
4 ~~local service delivery~~ *local workforce investment* area plans can
5 respond to the needs of eligible groups for programs developed in
6 response to local conditions.

7 (b) In establishing priority criteria, the department may
8 establish proportions of funding that may be used for groups of
9 eligible participants and for types of services, or the department
10 may establish proportions of eligible groups to be served, or both.

11 (c) The priority order of eligible persons shall be in accordance
12 with the order of eligibility set forth in Section 15010. This
13 subdivision shall be operative unless there is a determination by
14 the United States Department of Labor that it is inconsistent with
15 federal law.

16 *SEC. 12. Section 15012 of the Unemployment Insurance Code*
17 *is amended to read:*

18 15012. (a) Procedures and criteria for determining the
19 eligibility of persons provided services under this division with
20 federal funds received through the federal ~~Job Training~~
21 ~~Partnership Act~~ *Workforce Investment Act of 1998* shall be in
22 accordance with the provisions of that act.

23 (b) For purposes of participation and reporting of participation
24 in programs funded under the ~~Job Training Partnership Act~~
25 *Workforce Investment Act of 1998* only, and notwithstanding
26 Sections 48260 and 54662 of the Education Code, a school
27 dropout is defined as an individual who is no longer attending any
28 school and who has not received a secondary school diploma or a
29 certificate from a program of equivalency for that diploma.

30 (c) For purposes of authorizing a minor to participate in ~~Job~~
31 ~~Training Partnership Act~~ *Workforce Investment Act of 1998*
32 programs, the signature of a parent, guardian, or other responsible
33 adult is required.

34 *SEC. 13. The heading of Chapter 3 (commencing with Section*
35 *15020) of Division 8 of the Unemployment Insurance Code is*
36 *amended to read:*
37

1 CHAPTER 3. ~~SERVICE DELIVERY~~ LOCAL WORKFORCE INVESTMENT
2 AREA ESTABLISHMENT AND RESPONSIBILITIES

3
4 SEC. 14. *Section 15020 of the Unemployment Insurance Code*
5 *is amended to read:*

6 15020. There shall be established in each ~~service-delivery~~
7 *local workforce investment* area, subject to the direction of the
8 chief elected officials acting in accordance with the provisions of
9 this division, a system for providing job preparation, training and
10 placement services to persons eligible under the provisions of this
11 division. Elements of services to be provided by the system shall
12 include, but are not necessarily limited to:

13 (a) Receiving applications for services and screening the
14 applicants in accordance with priorities and services provided
15 pursuant to a job preparation and training services plan.

16 (b) Assessment of an eligible participant's employment
17 potential and training needs.

18 (c) Immediate job search assistance which provides applicants
19 and recipients of public assistance with self-help job search skills
20 and other job finding services which promote quick entry into
21 unsubsidized jobs, with special emphasis on nontraditional jobs in
22 the private sector for women.

23 (d) Basic and remedial education for those participants who
24 have not received a secondary school diploma or a certificate from
25 a program of equivalency for such a diploma.

26 (e) Job training services for those participants who without
27 such training would be unable to obtain unsubsidized employment
28 within a reasonable period of time.

29 (f) Job placement services for participants completing training
30 programs.

31 (g) Specialized employment placement assistance, where
32 appropriate, for individuals whose access to services is limited due
33 to physical disabilities but who are otherwise eligible for services
34 under the provisions of Chapter 2 (commencing with Section
35 15010).

36 SEC. 15. *Section 15020.1 of the Unemployment Insurance*
37 *Code is amended to read:*

38 15020.1. The Governor shall, after receiving the
39 recommended ~~service-delivery~~ *local workforce investment* area
40 designations of the ~~State Job Training Coordinating Council~~

1 *California Workforce Investment Board*, publish a proposed
2 designation of ~~service-delivery~~ *local workforce investment* areas.
3 Counties, cities, city/counties, and all other persons or
4 organizations shall be given the opportunity to comment on and
5 request revision of the proposed designation of ~~service-delivery~~
6 *local workforce investment* areas.

7 *SEC. 16. Section 15020.2 of the Unemployment Insurance*
8 *Code is amended to read:*

9 15020.2. Each ~~service-delivery~~ *local workforce investment*
10 area shall meet the following criteria:

11 (a) Be comprised of one or more units of general local
12 government.

13 (b) Promote effective delivery of services to individuals
14 pursuant to this division.

15 (c) Be consistent with labor market areas or standard
16 metropolitan statistical areas. However, this subdivision shall not
17 be construed to require designation of an entire labor market area
18 as a ~~service-delivery~~ *local workforce investment* area.

19 (d) Be consistent with areas in which related services are
20 provided under other state or federal programs.

21 *SEC. 17. Section 15020.3 of the Unemployment Insurance*
22 *Code is amended to read:*

23 15020.3. The Governor shall approve a request to be a ~~service~~
24 ~~delivery~~ *local workforce investment* area from any of the
25 following:

26 (a) Any unit of general local government with a population of
27 ~~200,000~~ 500,000 or more.

28 (b) Any consortium of contiguous units of general local
29 government with an aggregate population of ~~200,000~~ 500,000 or
30 more that serves a substantial part of one or more labor market
31 areas.

32 *SEC. 18. Section 15020.5 of the Unemployment Insurance*
33 *Code is amended to read:*

34 15020.5. The final designation, approval, denial, or
35 redesignation of ~~service-delivery~~ *Workforce Investment Act of*
36 *1998* areas by the Governor shall be consistent with the
37 requirements of the federal ~~Job Training Partnership Act (P.L.~~
38 ~~97-300)~~ *Workforce Investment Act of 1998*, as amended.

39 *SEC. 19. Section 15021 of the Unemployment Insurance Code*
40 *is amended to read:*

1 15021. The ~~private industry council~~ *local workforce*
2 *investment board* and appropriate chief elected official or officials
3 in each ~~service delivery~~ *local workforce investment* area shall
4 determine the entity to administer the ~~service delivery~~ *local*
5 *workforce investment* area plan and the organization and structure
6 necessary to administer the system of services provided pursuant
7 to Section 15020. The administrative structure, however, shall, to
8 the extent feasible, provide for the integration of the application
9 of and access to employment and training services with the local
10 organizational structure for administering benefits under the Aid
11 to Families with Dependent Children program and other public
12 assistance programs. In addition, the ~~private industry council~~ *local*
13 *workforce investment board* and appropriate chief elected official
14 or officials in each ~~service delivery~~ *local workforce investment*
15 area shall, to the extent feasible, promote the integration of
16 employment and training resources available within the ~~service~~
17 ~~delivery~~ *local workforce investment* area to eligible participants
18 into a comprehensive employment services system.

19 SEC. 20. Section 15022 of the Unemployment Insurance Code
20 is amended to read:

21 15022. All programs, services, policies, and procedures
22 established in the ~~service delivery~~ *local workforce investment* area
23 pursuant to the requirements of this division, including the
24 expenditures of all public funds, shall be in accordance with the
25 service delivery area plan, prepared in accordance with the
26 provisions of Chapter 5 (commencing with Section 15040) and as
27 approved by the department.

28 SEC. 21. Section 15023 of the Unemployment Insurance Code
29 is amended to read:

30 15023. (a) In their administration and management of the
31 ~~services~~ *local workforce investment* system established under this
32 chapter, the appropriate local elected officials in each ~~service~~
33 ~~delivery~~ *local workforce investment* area shall act in a manner that
34 promotes and supports the powers, duties, and functions of the
35 ~~local private industry council~~ *local workforce investment board* as
36 set forth in Chapter 4 (commencing with Section 15030).

37 (b) The unit of general local government or each unit of general
38 local government that is a member of a consortium described in
39 Section 15025, that has been designated by the Governor as a
40 ~~service delivery~~ *local workforce investment* area pursuant to this

chapter and the federal ~~Job Training Partnership Act (P.L. 97-300)~~
~~Workforce Investment Act of 1998~~, as amended, shall be liable to
the agency designated by the Governor pursuant to Section 15050
for all funds not expended in accordance with this division, and
shall return to that agency all of those funds.

SEC. 22. *Section 15024 of the Unemployment Insurance Code
is amended to read:*

15024. In accordance with Section 107 of the federal ~~Job
Training Partnership Act (P.L. 97-300)~~ ~~Workforce Investment Act
of 1998~~, as amended, the entity administering the ~~service delivery~~
~~local workforce investment~~ area plan in each ~~service delivery local~~
~~workforce investment~~ area may contract with state departments or
public and private agencies or organizations for the provision of
services to persons eligible under this division who need or would
benefit from those services. Funds provided under the federal ~~Job
Training Partnership Act (P.L. 97-300)~~ ~~Workforce Investment Act
of 1998~~, as amended, shall not be used to duplicate facilities or
services available in the area, either with or without
reimbursement from federal, state, or local sources, unless it is
demonstrated that alternative services or facilities would be more
effective or more likely to achieve the ~~service delivery local~~
~~workforce investment~~ area's performance goals.

SEC. 23. *Section 15025 of the Unemployment Insurance Code
is amended to read:*

15025. When contiguous units of general local government
form a consortium designated by the Governor as a ~~service
delivery local workforce investment~~ area pursuant to Section
15050, these local government entities shall establish a joint
powers entity through a joint powers agreement that empowers the
entity to fulfill the requirements of this division and the federal ~~Job
Training Partnership Act (P.L. 300)~~ ~~Workforce Investment Act of
1998~~, as amended. The department shall give its full cooperation
and assistance in assuring the effective, efficient formulation and
operations of the consortium.

SEC. 24. *Section 15026 of the Unemployment Insurance Code
is amended to read:*

15026. (a) In order to assure the proper and efficient
management of the job preparation and training services system,
~~service delivery local workforce investment~~ areas shall participate
in a statewide reporting system for management information and

1 fiscal reporting to meet federal, state, and local information,
2 auditing, and control requirements. Establishment and
3 maintenance of these systems shall be the responsibility of the
4 department and shall include participant social security number
5 and other information deemed necessary by the department to
6 provide required federal and state reporting. Reports shall be
7 provided to the department containing such information as the
8 department requires. The reporting requirements shall be
9 determined with the assistance of local elected officials and private
10 industry councils. Except as provided in Section 322, the
11 information gathered pursuant to this section shall be subject to the
12 confidentiality requirements contained in Section 1094.

13 (b) The information systems established pursuant to this
14 section shall, where appropriate, complement the information
15 system authorized in Chapter 4.1 (commencing with Section
16 10815) of Part 2 of Division 9 of the Welfare and Institutions Code.

17 *SEC. 25. Section 15028 of the Unemployment Insurance Code*
18 *is amended to read:*

19 15028. If the director finds that employment and training
20 services in a ~~service-delivery~~ *local workforce investment* area are
21 not being administered in compliance with ~~the provisions of this~~
22 division, he or she may notify the ~~state council~~ *California*
23 *Workforce Investment Board* and request a hearing concerning
24 whether funds should be withheld from the ~~service-delivery~~ *local*
25 *workforce investment* area. The director shall notify the
26 appropriate local elected officials and ~~private industry council~~
27 *local workforce investment board* in the subject service delivery
28 area of any such request. The ~~state council~~ *California Workforce*
29 *Investment Board* shall set the matter for hearing within 30 days
30 after the receipt of the request by the director, and shall
31 recommend to the Governor what action should be taken, if any,
32 within 15 days after the conclusion of the hearing.

33 If the ~~state council~~ *California Workforce Investment Board*
34 recommends that funding should be withheld from the ~~service~~
35 ~~delivery~~ *local workforce investment* area it shall also recommend
36 an entity or entities to provide employment and training services
37 within the ~~service-delivery~~ *local workforce investment* area until
38 the appropriate local elected officials and ~~private industry council~~
39 *local workforce investment board* offer reasonable assurances of
40 their intention and ability to comply with the requirements of this

1 division. If the director's findings involve fraud or
2 misappropriation of funds, he or she may immediately withhold
3 funds from the subject ~~service-delivery~~ *local workforce investment*
4 area pending the hearing by the ~~state council~~ *California Workforce*
5 *Investment Board* and decision by the Governor.

6 SEC. 26. *Section 15029 of the Unemployment Insurance Code*
7 *is amended to read:*

8 15029. The director shall investigate and shall make a formal
9 declaration of findings regarding a complaint filed with the
10 director by a recipient organization or a number of participants that
11 present evidence of failure to comply with provisions of this
12 division within a ~~service-delivery~~ *local workforce investment* area.
13 This declaration shall be made within 60 days of the complaint
14 being filed. A copy of the declaration shall be transmitted to the
15 state council.

16 SEC. 27. *Section 15029.5 of the Unemployment Insurance*
17 *Code is amended to read:*

18 15029.5. (a) The director, upon review of the ~~State Job~~
19 ~~Training Coordinating Council~~ *California Workforce Investment*
20 *Board*, may appeal to the United States Secretary of Labor for a
21 reduction in the amount of a disallowed cost or a determination
22 that no disallowed cost should be returned to the state by a ~~service~~
23 ~~delivery~~ *local workforce investment* area or by a ~~service~~ *local*
24 *workforce investment* provider if it is found that an extenuating
25 circumstance exists and that a good faith effort was made to
26 properly administer programs. In the event the United States
27 Secretary of Labor refuses to grant the appeal, the ~~service-delivery~~
28 *local workforce investment* area shall be liable for disallowed costs
29 which occur as a result of failure by the ~~service-delivery~~ *local*
30 *workforce investment* area to conform to federal or state laws or
31 regulations, or both. The department shall develop regulations
32 which define extenuating circumstances and good faith effort.

33 (1) The regulatory definition of "extenuating circumstances"
34 shall include, but not be limited to, all of the following:

35 (A) Strikes and disasters.

36 (B) Errors by state staff in policy interpretation.

37 (C) Sudden and significant workload changes resulting from
38 changes in law or regulations, or from significant and
39 unpredictable participant growth.

1 (D) Failure of a governmental agency outside the control of the
2 ~~service delivery~~ *local workforce investment* area governing body
3 or of the service provider to complete an agreed-upon activity.

4 (2) The regulatory definition of “good faith effort” shall be
5 based upon factors including, but not limited to, all of the
6 following:

7 (A) Demonstrated commitment to the elimination of errors,
8 such as established priorities and goals, accountability for
9 performance, and monitoring of progress.

10 (B) Consideration of clerical errors neither grossly negligent
11 nor criminal.

12 (C) Sufficient quality operational systems designed to
13 eliminate errors, such as use of computer clearance and review
14 processes.

15 (D) Implementation of effective systems and procedures, such
16 as error-prone profiles and corrective action committees for the
17 statistical and program analysis of quality control and related data.

18 (b) Nothing in the section shall be construed to limit state
19 authority to pass on federal fiscal sanctions to the ~~service delivery~~
20 *local workforce investment* areas on ~~service~~ *local workforce*
21 *investment* providers, provided, however, that the portion of a
22 federal sanction, due to differences between state and federal
23 regulation, or due to failure by a governmental agency outside the
24 control of the ~~service delivery~~ *local workforce investment* area’s
25 governing body on the ~~service~~ *local workforce investment*
26 provider confirmed by the state and not apportionable to the
27 agency, shall be apportioned to the state.

28 (c) The ~~State Job Training Coordinating Council~~ *California*
29 *Workforce Investment Board* shall report to the Legislature, no
30 later than 180 days following the effective date of this section, a
31 recommended formula, developed with the assistance of the
32 department and the private industry councils, which apportions
33 fiscal responsibility for state and federal quality control sanctions
34 between the state and the ~~service delivery~~ *local workforce*
35 *investment* areas.

36 SEC. 28. The heading of Chapter 4 (commencing with Section
37 15030) of Division 8 of the Unemployment Insurance Code is
38 amended to read:
39

CHAPTER 4. ESTABLISHMENT AND FUNCTIONS OF ~~PRIVATE~~
~~INDUSTRY COUNCILS-LOCAL WORKFORCE INVESTMENT BOARD~~

SEC. 29. *Section 15030 of the Unemployment Insurance Code is amended to read:*

15030. In order to assure a more cooperative relationship between government and the private sector, a relationship that promotes a system of job preparation and training services most responsive to the needs and interests of the private sector and the participants, there shall be a ~~private industry council-local workforce investment board~~ established in each ~~service delivery local workforce investment~~ area.

SEC. 30. *Section 15031 of the Unemployment Insurance Code is amended to read:*

15031. (a) The ~~service delivery-local workforce investment area's-private industry council-local workforce investment board~~ shall be appointed by the chief elected officials of the local government unit or units involved, and shall be of the size as the unit or units deem appropriate for the purposes of this division, except that ~~service delivery-local workforce investment~~ areas with a total population in excess of 2,500,000 persons shall have a minimum of 29 members.

(1) The chairperson and at least one-half of the remaining members shall represent both large and small businesses in the private sector, who shall be owners of business concerns, chief executives or chief operating officers of business concerns who have or have had substantial policy and management responsibility, or their designees.

(2) (A) Not less than 15 percent of the members shall represent organized labor and community-based organizations, including those serving minority populations, and shall include minority representatives, as appropriate.

(B) The labor representatives on the ~~council-local board~~ shall be selected from individuals recommended by recognized state and local labor federations. If the state or local labor federation fails to nominate a sufficient number of individuals to meet the labor representation requirements, individual workers may be included on the council to complete the labor representation.

(3) Additional members shall represent each of the following:

1 (A) Educational agencies that shall be representative of all
2 educational agencies in the ~~service-delivery-local workforce~~
3 ~~investment~~ area.

4 (B) Vocational rehabilitation agencies.

5 (C) Public assistance agencies.

6 (D) Economic development agencies.

7 (E) The public employment service funded under the federal
8 Wagner-Peyser Act.

9 (4) Education representatives on the council shall be selected
10 from among individuals nominated by regional or local
11 educational agencies, vocational education institutions,
12 institutions of higher education (including entities offering adult
13 education), or general organizations of these agencies or
14 institutions within the ~~service-delivery-local workforce investment~~
15 area.

16 (5) The remaining members of the ~~council-board~~ shall be
17 selected from individuals recommended by interested
18 organizations.

19 (6) The composition of the ~~private-industry-council-local~~
20 ~~workforce investment board~~ shall, to the extent feasible, represent
21 the racial and ethnic characteristics of the ~~service-delivery-local~~
22 ~~workforce investment~~ area.

23 (b) The representatives on the ~~council-board~~ designated in
24 paragraphs (1), (2), and (3) of subdivision (a) shall be selected in
25 accordance with the federal ~~Job Training Partnership Act~~
26 ~~Workforce Investment Act of 1998~~.

27 (c) Members shall be appointed for fixed and staggered terms
28 of a duration deemed appropriate by the chief elected officials in
29 the ~~service-delivery-local workforce investment~~ area, but in any
30 case shall not be less than two years. Members may serve past the
31 expiration date of their appointment until their successors are
32 appointed.

33 (d) No member representing private industry may be
34 represented by an alternate at meetings of the ~~council-board~~.

35 (e) All vacancies occurring subsequent to the initial
36 appointments to the ~~private-industry-council-local workforce~~
37 ~~investment board~~ shall be filled within 60 days of their occurrence
38 in the same manner as the original appointments by the chief
39 elected official or officials in the ~~service-delivery-local workforce~~
40 ~~investment~~ area.

1 SEC. 31. *Section 15031.5 of the Unemployment Insurance*
2 *Code is amended to read:*

3 15031.5. The Governor shall certify a ~~private industry council~~
4 *local workforce investment board* if the Governor determines that
5 its composition and appointments are consistent with the
6 provisions of this chapter. Such certification shall be made or
7 denied within 30 days after the date on which a list of members and
8 necessary supporting documentation are submitted to the
9 Governor. When the Governor certifies the ~~council board~~, it shall
10 be convened within 30 days by the official or officials who made
11 the appointments to such ~~council board~~ pursuant to Section 15031.
12 Certification of ~~private industry councils~~ *local workforce*
13 *investment boards* under this section shall not be required prior to
14 January 1, 1984.

15 SEC. 32. *Section 15032 of the Unemployment Insurance Code*
16 *is amended to read:*

17 15032. It shall be the duty of the ~~council board~~ to:

18 (a) Design and plan the program of job preparation and training
19 services for the ~~service-delivery~~ *local workforce investment* area,
20 which shall include all of the following:

21 (1) Establishing the ~~service-delivery~~ *local workforce*
22 *investment* area's eligibility and services priorities.

23 (2) Determining the types of services and training to be
24 provided.

25 (3) Determining the industries and occupations for training.

26 (4) Establishing criteria for the content and quality of training.

27 (5) Determining the entities which will deliver the training and
28 services.

29 (6) Determining the annual utilization of available funds and
30 resources and preparing the program budget.

31 (b) Survey local employment needs and local economic
32 conditions, including a description of:

33 (1) Unemployed, underemployed and "discouraged" workers.

34 (2) Jobs lost and jobs created in the region.

35 (3) Local labor market supplies and migratory patterns.

36 (4) Labor force training needs and skills assessment.

37 (5) Linkages with small businesses.

38 (6) Economic development strategies, implemented or planned
39 for the region and their employment impact.

1 (7) Employment by private industry receiving contracts, loans,
2 industrial revenue bonds, grants, tax abatements or preferential
3 zoning from the local governing body.

4 (c) Guide the development of the ~~service-delivery-local~~
5 *workforce investment* area plan prepared in accordance with the
6 provisions of Chapter 5 (commencing with Section 15040) to
7 assure that it conforms with the priorities, criteria and standards set
8 forth by the council pursuant to subdivision (a).

9 (d) Monitor the performance of the job preparation and training
10 services system to assure its compliance with the ~~service-delivery~~
11 ~~area-local workforce investment~~ plan, and through utilization of
12 performance criteria established pursuant to this division, assess
13 the levels of success achieved by the system. Where the system's
14 performance is not up to standard, the ~~council~~ board shall propose
15 modifications which maximize successful outcomes.

16 (e) Assure that the system is fully responsive to the
17 employment needs of the private sector, program participants, and
18 the economic conditions occurring within the service delivery
19 area, and assure that the system is compatible with and supportive
20 of federal, state and local business and economic development
21 activities occurring within the ~~service-delivery-local workforce~~
22 *investment* area.

23 (f) Promote the integration of the system with all other job
24 training, vocational education, and employment services
25 resources available within the ~~service-delivery-local workforce~~
26 *investment* area, including the joint development of plans with the
27 Employment Development Department for local offices for
28 employment services, local educational agencies for vocational
29 education programs pursuant to the provisions of Chapter 7
30 (commencing with Section 15070), and county welfare
31 departments for services to participants under Article 3.2
32 (commencing with Section 11320) of Chapter 2 of Part 3 of
33 Division 9 of the Welfare and Institutions Code.

34 (g) Promote the transition of participants served by the system
35 into full-time unsubsidized jobs with special emphasis on
36 nontraditional jobs in the private sector for women.

37 For purposes of this subdivision, nontraditional employment in
38 the private sector for women shall be deemed to include
39 employment in any occupation in which not more than 25 percent
40 of the employees are women.

1 (h) Consult quarterly with the local child care resource and
2 referral agency to review data on the need for child care and
3 development services for participants eligible for services under
4 this division.

5 (i) Develop and implement a plan for participation in the
6 planning process, program development, and program evaluation
7 by representatives of eligible participants and service providers
8 within the service delivery area, including all types of public and
9 private vocational education agencies and schools, public
10 assistance recipients, participants in services under this division,
11 and child care resource and referral agencies.

12 (j) Prepare and distribute to interested parties a quarterly
13 program assessment for review and comment.

14 *SEC. 33. Section 15032.5 of the Unemployment Insurance*
15 *Code is amended to read:*

16 15032.5. The ~~private industry council~~ *local workforce*
17 *investment board*, in order to carry its functions:

18 (a) Shall, in accordance with its plan, prepare and approve a
19 budget for itself.

20 (b) May hire staff, incorporate, and solicit and accept
21 contributions and grant funds from other sources.

22 (c) Shall have access to information concerning the operation
23 of programs covered under the ~~service delivery~~ *local workforce*
24 *investment area plan*.

25 *SEC. 34. Section 15033 of the Unemployment Insurance Code*
26 *is amended to read:*

27 15033. The chief elected official or officials for the ~~service~~
28 ~~delivery~~ *local service investment area* shall, every two years
29 following the Governor's biennial certification of the ~~private~~
30 ~~industry council~~ *local workforce investment board*, appoint a
31 chairperson from among the private sector members on the ~~private~~
32 ~~industry council~~ *local workforce investment board*. The ~~private~~
33 ~~industry council~~ *local workforce investment board* may appoint
34 other officers as it deems necessary.

35 *SEC. 35. Section 15034 of the Unemployment Insurance Code*
36 *is amended to read:*

37 15034. Members of the ~~council~~ *board* shall be reimbursed
38 only for their necessary and actual expenses incurred in the
39 performance of their official duties.

1 SEC. 36. *The heading of Chapter 4.5 (commencing with*
2 *Section 15035) of Division 8 of the Unemployment Insurance Code*
3 *is amended to read:*

4
5 CHAPTER 4.5. ~~STATE JOB TRAINING COORDINATING~~
6 ~~COUNCIL~~ CALIFORNIA WORKFORCE INVESTMENT BOARD
7

8 SEC. 37. *Section 15035 of the Unemployment Insurance Code*
9 *is amended to read:*

10 15035. To promote integration of work force preparation
11 programs at the state level, to further cooperation between
12 government and the private sector in meeting California
13 employers' needs for well-trained workers and California
14 workers' needs for good jobs, to provide oversight of programs
15 operated pursuant to the division, and to meet federal requirements
16 of ~~Section 122 of Part B of Title I of the Job Training Partnership~~
17 ~~Act of 1982, the federal Workforce Investment Act of 1998 the~~
18 ~~State Job Training Coordinating Council~~ California Workforce
19 Investment Board is established.

20 SEC. 38. *Section 15036 of the Unemployment Insurance Code*
21 *is amended to read:*

22 15036. The ~~state council~~ California Workforce Investment
23 Board shall consist of 30 members, appointed by the Governor
24 from nominations as provided in this section, and as required by
25 federal law, and be representative of the population of the state
26 with regard to sex, race, ethnic background, and geographical
27 distribution. The Governor shall appoint one nongovernmental
28 member to be the chairperson of the council, who shall serve in this
29 capacity at the pleasure of the Governor. The appointment of the
30 chairperson and the appointments of members designated under
31 subdivisions (d) and (e) shall be subject to confirmation by the
32 Senate.

33 (a) Nine members shall be representatives of large and small
34 business, industry, and agriculture. Eight of these members shall
35 be owners of business concerns, chief executives, or chief
36 operating officers of business concerns or other private sector
37 executives who have or have had substantial management or
38 policy responsibilities for an autonomous part of a business. Of
39 these, at least four shall be current or past members of a ~~private~~
40 ~~industry council~~ local workforce investment board. One shall be

1 a representative from a general purpose organization representing
2 business interests. One of the members shall also have a record of
3 employing a significant number of disabled persons.

4 (b) Seven members shall be representatives of state
5 government. These representatives shall be a Member of the
6 Senate nominated by the Senate Committee on Rules, a Member
7 of the Assembly nominated by the Speaker of the Assembly, the
8 Lieutenant Governor, the Superintendent of Public Instruction, the
9 Secretary of Health and Welfare, the Secretary of Business,
10 Transportation and Housing, and the Chancellor of the California
11 Community Colleges, or their designees.

12 (c) Two members shall be representatives of local government.
13 One shall be a member of a county board of supervisors, and shall
14 be nominated by the County Supervisors' Association of
15 California. One shall be a member of a city council, and shall be
16 nominated by the League of California Cities.

17 (d) Nine members shall be representatives of organized labor
18 and community-based organizations. Of these, at least four shall
19 represent organized labor.

20 (e) Three members shall be from the general public.

21 (f) The members appointed pursuant to subdivisions (d) and (e)
22 shall include those who have substantial experience in local
23 vocational organizations serving youth, providing services or
24 advocacy for the population eligible for services, private
25 proprietary schools, veterans' organizations, and organizations
26 serving older Californians.

27 In the event that the Governor finds an insufficient number of
28 acceptable nominees in a given category, he or she shall return the
29 nomination lists to the respective nominating bodies within 10
30 days of receipt. The bodies shall then have 10 days to submit new
31 lists of nominees. If nominations are not received within 10 days,
32 members shall be appointed at the discretion of the Governor.

33 *SEC. 39. Section 15037 of the Unemployment Insurance Code*
34 *is amended to read:*

35 15037. The California Workforce Investment Board shall:

36 (a) Review and comment on the state workforce development
37 plan developed pursuant to Section 11011.

38 (b) Develop and recommend to the Governor a coordination
39 and special services plan, which includes a dislocated workers

1 assistance plan, in accordance with Chapter 4.5 (commencing with
2 Section 10510) of Part 1 of Division 3.

3 (c) Recommend to the Governor ~~local service delivery~~ *local*
4 *workforce investment* areas. To the extent permitted by federal law,
5 designation of service delivery areas shall reflect the intent of the
6 Legislature to integrate and coordinate employment and training
7 services, public assistance programs, and other educational and
8 training efforts as may exist which are designed to assist
9 individuals in preparing for participation in the labor force.

10 (d) To the extent permitted by federal law, establish policies
11 which shall be followed by the department in performing all of the
12 following functions:

13 (1) Approval of local service delivery area plans.

14 (2) Establishment of standards, criteria, and reporting
15 requirements established by the department pursuant to this
16 division with respect to ~~local service delivery~~ *workforce*
17 *investment* area plans.

18 (3) Allocation of funds for ~~local service delivery~~ *local*
19 *workforce delivery* area plans, including funds for plans submitted
20 under Chapter 7.5 (commencing with Section 15075).

21 (e) Plan, review and approve the allocation, recapture, and
22 reallocation of federal funds received by the state pursuant to the
23 federal ~~Job Training Partnership Act~~ *Workforce Investment Act of*
24 *1998*. Funds received by the state in accordance with Sections
25 202(c)(1)(C) and 262 (c)(1)(C) of that act shall be allocated to the
26 Superintendent of Public Instruction as necessary to meet the need
27 determined by the superintendent pursuant to Section 33117.5 of
28 the Education Code. The board shall be deemed to have approved
29 the disbursement of funds when the Governor approves a decision
30 of the board specifying a budget for an authorized program or
31 activity and designating the department or agency responsible for
32 the expenditure of the budgeted funds. An agreement shall be
33 entered into between the Employment Development Department
34 and the State Department of Education and shall provide that ~~Job~~
35 ~~Training Partnership Act~~ *federal Workforce Investment Act of*
36 *1998* funds provided for the purposes of Section 33117.5 of the
37 Education Code shall be utilized for payment to local educational
38 agencies.

1 (f) Review and approve the annual labor market and
2 occupational supply and demand information plan developed
3 pursuant to Section 10532.

4 (g) Consider and advise the director on all matters connected
5 with the administration of this code as submitted to it by the
6 director, and may upon its own initiative recommend changes in
7 administration as it deems necessary.

8 (h) Review and comment to the Governor and the Legislature
9 on the annual report prepared in accordance with Section 15064.

10 (i) Serve as the body responsible for making recommendations
11 to the Governor when the director proposes to withdraw funding
12 pursuant to Section 15028.

13 *SEC. 40. Section 15037.1 of the Unemployment Insurance*
14 *Code is amended to read:*

15 15037.1. (a) The state ~~council~~ *board* shall be responsible for
16 developing an education and job training report card program to
17 assess the accomplishments of California's workforce preparation
18 system.

19 (1) A subcommittee of the state council shall be established for
20 this purpose.

21 (2) The subcommittee shall be comprised of three private
22 sector members of the state council, the director of the department,
23 the Superintendent of Public Instruction, the Chancellor of the
24 California Community Colleges, or their designees, and
25 representatives of programs that are to be measured under the
26 report card program.

27 (3) The subcommittee shall be responsible for designing and
28 implementing, or contracting with an operating entity for the
29 implementation of, a system that can compile, maintain, and
30 disseminate information on the performance of providers,
31 programs, and the overall workforce preparation system.

32 (b) By January 1, 2001, the subcommittee or an operating
33 entity under contract to the subcommittee shall operate a
34 comprehensive performance-based accountability system that
35 matches the social security numbers of former participants in state
36 education and training programs with information in files of state
37 and federal agencies that maintain employment and educational
38 records and identifies the occupations of those former participants
39 whose social security numbers are found in employment records.

(c) This system shall measure the performance of state and federally funded education and training programs for the purpose of system, program, and instructional improvement. Programs to be measured shall include programs in receipt of funds from the ~~Job Training Partnership Act~~ *the California Workforce Investment Act of 1998*, the Carl D. Perkins Vocational Education Act, the Job Opportunities and Basic Skills program, the Food Stamp Employment and Training program, the Wagner Peyser Act, the Employment Training Panel, adult education programs as defined by paragraph (9) of subdivision (b) of Section 10521, basic vocational rehabilitation services as defined by Part B of Title 1 of the federal Vocational Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 701 et seq.), vocational education programs, and certificated community college programs.

(d) Job training and education providers receiving funding identified in subdivision (c) shall, to the extent permitted by federal law, request social security numbers from each participant 18 years of age and over and not currently enrolled in high school and participating in a workforce preparation program and shall report to the subcommittee or an operating entity under contract to the subcommittee, as the case may be, on participant social security numbers and economic and demographic characteristics, including, but not limited to, age, gender, race or ethnicity, and education achievement. The state ~~council~~ *board* shall establish the acceptable format and timeframes for data submission.

(e) The system shall be designed to measure factors such as:

- (1) Amount and source of funding.
- (2) Program entrance and successful completion rates.
- (3) Employment and wage information for one and three years after completion of training.
- (4) The relationship of training to employment.
- (5) Academic achievement for one and three years after completion of training.
- (6) Achievement of industry skill standard certifications, where they exist.
- (7) Return on public investment.

(f) Based upon the information compiled pursuant to this section, the subcommittee or an operating entity under contract to the subcommittee, as the case may be, shall, by December 31, 1997, and each December 31 thereafter, do all of the following:

1 (1) Prepare and disseminate report cards for all training and
2 education providers in receipt of funds included in the tracking
3 system.

4 (2) Prepare and disseminate local and statewide report cards
5 that measure the outcomes of the individual programs that operate
6 as part of the workforce development system.

7 (3) Prepare and disseminate a state report card that measures
8 the performance of the entire system of workforce preparation and
9 the effectiveness of the system in meeting employers' needs for
10 educated and trained workers and the clients' needs for improving
11 their economic well-being.

12 (g) The state ~~council~~—*board* shall develop objective
13 performance standards emphasizing the principles of continuous
14 improvement for the programs covered under this section, and a
15 system of sanctions and incentives to encourage performance that
16 meet these standards.

17 (h) The state ~~council~~—*board* shall explore the feasibility of
18 including the following persons in this system:

19 (1) Attendees at private postsecondary institutions.

20 (2) Recipients of federal student loans.

21 (3) Recipients of Pell grants.

22 (4) Pupils in grades 11 and 12.

23 (5) Students enrolled in any community college, California
24 State University, or University of California program.

25 (i) The sole purpose of this section is to assess the performance
26 of state and federal employment and training providers and
27 programs in preparing Californians for the workforce. Collection
28 and use of social security numbers pursuant to this section shall be
29 consistent with the requirements of Section 7 of the federal Privacy
30 Act of 1974 (P.L. 93-579) and Section 405(c)(2)(C) of Title 42 of
31 the United States Code. Notwithstanding Chapter 3.5
32 (commencing with Section 6250) of Division 7 of Title 1 of the
33 Government Code, or any other provision of law, the social
34 security number of any person obtained pursuant to this section is
35 not a public record, and shall not be disclosed except for the
36 purpose of this section. Information obtained pursuant to this
37 section shall not be sold or distributed to any entity without prior
38 consent from the individual, or his or her parent or guardian, with
39 respect to whom the information is gathered. This subdivision
40 does not prohibit the exchange of information with other

1 governmental departments and agencies, both federal and state,
2 that are concerned with the administration of workforce
3 development programs. Neither the subcommittee nor an
4 operating entity under contract to the subcommittee, as the case
5 may be, may make public any information that could identify an
6 individual or his or her employer.

7 (j) An education and training program that requires
8 information gathered by the education and job training report card
9 program shall use the report card program and shall not initiate
10 automated matching of records in duplication of methods already
11 in place as a result of the report card program.

12 (k) Funding for the development and maintenance of the
13 education and job training report card program shall be made
14 available on a shared basis by the programs the report card
15 program is measuring, to the extent authorized by federal and state
16 law. The subcommittee, or the operating entity under contract to
17 the subcommittee, shall have the authority to assess each of the
18 programs with an appropriate share of the costs of the report card
19 program. Administrative funds currently used for program
20 followup activities for the identified programs shall be redirected
21 for this purpose, if authorized by federal law.

22 (l) The state ~~council~~ board shall apply for any federal waivers
23 that may be necessary to implement this section.

24 *SEC. 41. Section 15037.3 of the Unemployment Insurance*
25 *Code is amended to read:*

26 15037.3. It is the intent of the Legislature that resources
27 available under this division be used to support services provided
28 under the California Conservation Corps. To that end, the ~~council~~
29 *board* shall develop guidelines and procedures for the
30 identification referral by the private industry councils of eligible
31 youth who would benefit from service in the California
32 Conservation Corps, if the referral is deemed appropriate by the
33 councils in their ~~service-delivery~~ *local workforce investment* area
34 plans, and for the funding of such services through the
35 consolidated work fund.

36 *SEC. 42. Section 15037.5 of the Unemployment Insurance*
37 *Code is amended to read:*

38 15037.5. The plans and decisions of the state ~~council~~ board
39 shall be subject to approval by the Governor.

1 *SEC. 43. Section 15038 of the Unemployment Insurance Code*
2 *is amended to read:*

3 15038. In order to assure objective management and
4 oversight, the state ~~council~~-board shall not operate programs or
5 provide services directly to eligible participants, but shall exist
6 solely to plan, coordinate, and monitor the provisions of such
7 programs and services.

8 *SEC. 44. Section 15038.5 of the Unemployment Insurance*
9 *Code is amended to read:*

10 15038.5. (a) The state ~~council~~-board shall meet at such times
11 and in such places as it deems necessary.

12 (b) Under no circumstances shall the state ~~council~~-board
13 permit absentee or proxy voting at any of its proceedings.

14 *SEC. 45. Section 15039 of the Unemployment Insurance Code*
15 *is amended to read:*

16 15039. The state ~~council~~-board shall succeed to the
17 Employment Services Board and the former state employment and
18 training council created under Section 10524.

19 *SEC. 46. Section 15039.5 of the Unemployment Insurance*
20 *Code is amended to read:*

21 15039.5. The state ~~council~~-board may employ personnel
22 necessary to carry out its responsibilities. All personnel of the
23 ~~council~~-board shall be under the supervision of the chairperson or
24 an executive director to whom he or she delegates this
25 responsibility. All personnel shall be appointed pursuant to the
26 State Civil Service Act established pursuant to Part 1
27 (commencing with Section 18000) of Division 5 of Title 2 of the
28 Government Code, except the executive director who shall be
29 exempt.

30 *SEC. 47. Section 15039.7 of the Unemployment Insurance*
31 *Code is amended to read:*

32 15039.7. Members of the state ~~council~~-board may receive up
33 to one hundred dollars (\$100) for each day's actual attendance at
34 meetings and other official business of the ~~council~~-board, not to
35 exceed three hundred dollars (\$300) per month, and shall receive
36 their necessary and actual expenses incurred in the performance of
37 their official duties.

38 *SEC. 48. The heading of Chapter 5 (commencing with Section*
39 *15040) of Division 8 of the Unemployment Insurance Code is*
40 *amended to read:*

CHAPTER 5. ~~SERVICE DELIVERY~~ LOCAL WORKFORCE INVESTMENT
AREA PLANS

SEC. 49. *Section 15040 of the Unemployment Insurance Code is amended to read:*

15040. A ~~service delivery~~ local enforcement investment area plan shall be prepared in accordance with an agreement or agreements between the ~~local private industry council~~ local workforce investment board and the chief elected official or officials in the ~~service delivery~~ local workforce investment area. The plan shall conform to the provisions of this division and the criteria, rules, and procedures established pursuant to this division. The service delivery area plan shall be prepared in accordance with the requirements and provisions of this division and the federal ~~Job Training Partnership Act~~ Workforce Investment Act of 1998.

SEC. 50. *Section 15041 of the Unemployment Insurance Code is amended to read:*

15041. To receive any federal and state funds appropriated for the purposes and requirements of this division, a ~~service delivery~~ local workforce investment area shall operate under and adhere to a plan approved in accordance with this division.

SEC. 51. *Section 15042 of the Unemployment Insurance Code is amended to read:*

15042. ~~Service delivery~~ Local workforce investment area plans shall be developed and submitted to the director in accordance with a time schedule set forth by the department, which shall, to the extent feasible, allow for the integration of cost and services needs information contained in the plans with the development of the Governor's annual State Budget proposal.

SEC. 52. *Section 15043 of the Unemployment Insurance Code is amended to read:*

15043. ~~Service delivery~~ Local workforce investment area plans shall contain provisions required by the federal ~~Job Training Partnership Act~~ Workforce Investment Act of 1998 and this division, including all of the following:

(a) Identification of the entity that will administer the program and be the grant recipient of funds from the state.

(b) Provisions for coordinating particular aspects of the ~~service delivery~~ local workforce investment area program with other programs and service providers in the labor market area if there is

1 more than one service delivery area in a single labor market area,
2 including provisions for all of the following:

3 (1) Assessing needs and problems in the labor market that form
4 the basis for program planning.

5 (2) Ensuring access by program participants in each service
6 delivery area to skills training and employment opportunities
7 throughout the entire labor market.

8 (3) Coordinating or jointly implementing job development,
9 placement, and other employer outreach activities.

10 (4) Entering into agreements and contracts between service
11 delivery areas to pay or share the cost of services.

12 (c) A description of methods of complying with the
13 coordination criteria contained in the Governor's coordination and
14 special services plan.

15 (d) A description of linkages established with appropriate
16 agencies designed to enhance the provision of services and avoid
17 duplication, including, but not limited to, the following:

18 (1) Agreements with appropriate educational agencies.

19 (2) Arrangements with other education, training, and
20 employment programs authorized by federal and state law.

21 (3) If appropriate, joint programs in which activities supported
22 with assistance under this division are coordinated with activities
23 such as service opportunities and youth corps programs supported
24 with assistance made available under the National and Community
25 Service Act of 1990 (42 U.S.C. 12501 et seq.).

26 (4) Efforts to ensure the effective delivery of services to
27 participants in coordination with local welfare agencies and other
28 local agencies, community-based organizations, volunteer groups,
29 business and labor organizations, and other training, education,
30 employment, and social service programs.

31 (e) Goals and objectives for the programs, including, but not
32 limited to, the following:

33 (1) A description of the manner in which the program will
34 contribute to the economic self-sufficiency of participants, and the
35 productivity of the local area and the nation.

36 (2) Performance standards established in accordance with
37 standards prescribed under Section 15055 and the federal Job
38 Training Partnership Act (P.L. 97-300), as amended.

39 (f) Procedures for identifying and selecting participants,
40 including, but not limited to, the following:

1 (1) Goals for the training and placement of hard-to-serve
2 individuals, and a description of efforts to be undertaken to
3 accomplish those goals.

4 (2) Outreach efforts to recruit and expand awareness of training
5 and placement opportunities for those individuals.

6 (3) Types of services to be provided to address the special needs
7 of those individuals.

8 (g) Goals for the training of women in nontraditional
9 employment, and the training-related placement of women in
10 nontraditional employment and apprenticeships, and a description
11 of efforts to be undertaken to accomplish these goals, including
12 efforts to increase awareness of any training and placement
13 opportunities.

14 (h) Adult and youth program budgets for two program years
15 and any proposed expenditures for the succeeding two program
16 years.

17 (i) A description of all of the following:

18 (1) The assessment process that will identify participant skill
19 levels.

20 (2) The process for providing information and referrals for
21 applicants and participants relating to appropriate programs and
22 service providers.

23 (3) The services to be provided, including the means for
24 involving labor organizations and community-based
25 organizations in the provision of services, the estimated duration
26 of service, and the estimated training cost per participant.

27 (4) The competency levels to be achieved by participants as a
28 result of program participation.

29 (5) The procedures for evaluating the progress of participants
30 in achieving competencies.

31 (j) A description, where applicable, of the procedures and
32 methods of carrying out the Jobs for Employable Dependent
33 Individuals Incentive Bonus Program (Title V) of the federal Job
34 Training Partnership Act (P.L. 97-300), as amended.

35 (k) Procedures for selecting service providers, that shall take
36 into account both of the following:

37 (1) The past performance of the providers with regard to job
38 training, basic skills training, or related activities, fiscal
39 accountability, and ability to meet performance standards.

(2) The ability of the providers to provide services that can lead to achievement of competency standards for participants with identified deficiencies.

(l) Fiscal control, including, but not limited to, procurement, monitoring, and management information system requirements, accounting, audit, and debt collection procedures, to assure the proper disbursement of, and accounting for, funds received under ~~Title H of the federal Job Training Partnership Act (P.L. 97-300)~~ *Workforce Investment Act of 1998*, as amended.

(m) Procedures for the preparation and submission of an annual report to the Governor, that shall include all of the following:

(1) A description of activities conducted during the program year.

(2) A description of the characteristics of participants.

(3) Information on the extent to which applicable performance standards were met.

(4) Information on the extent to which the service delivery area has met the goals of the area for the training and training-related placement of women in nontraditional employment and apprenticeships.

(5) A statistical breakdown of women trained and placed in nontraditional occupations, including information regarding the type of training received by occupation, and information regarding whether the participant was placed in a job or apprenticeship. If the participant was placed in a job or apprenticeship, the breakdown shall include the following information:

(A) The occupation and wage at placement.

(B) The age of the participant.

(C) The race of the participant.

(D) The period of retention of the participant in nontraditional employment.

SEC. 53. Section 15045 of the Unemployment Insurance Code is amended to read:

15045. The opportunity shall be provided for public review and comment on the plan prior to final approval and in accordance with procedures that the chief elected officials determine are reasonable and appropriate, that are consistent with the public review and comment provisions required by the federal ~~Job Training Partnership Act (P.L. 97-300)~~ *Workforce Investment Act of 1998*, as amended, and that include a public hearing on the

1 proposed plan by the ~~private industry council~~ *local workforce*
2 *investment board*, with at least 10 days' advance public notice,
3 prior to submission to the chief elected official or officials, and a
4 response, in writing, from the private industry council or the chief
5 elected official or officials, or both, with respect to any comments
6 submitted concerning the plan as a part of the plan to be submitted
7 to the department.

8 *SEC. 54. Section 15046 of the Unemployment Insurance Code*
9 *is amended to read:*

10 15046. Each ~~service delivery~~ *local workforce investment*
11 area's plan shall require the approval of both its chief elected
12 officials and the ~~local private industry council~~ *local workforce*
13 *investment board*, and the plan submitted to the director shall so
14 indicate this joint approval.

15 *SEC. 55. Section 15050 of the Unemployment Insurance Code*
16 *is amended to read:*

17 15050. The Governor shall, after receiving the
18 recommendation of the ~~State Job Coordinating Council~~
19 *California Workforce Investment Board*, designate directly or by
20 contract the agency or agencies responsible for the provisions of
21 this division.

22 The functions of the Governor's designee shall include all of the
23 following:

24 (a) Overall direction, pursuant to the policies established by the
25 ~~state council~~ *board* of the statewide programs operated by ~~service~~
26 ~~delivery~~ *local workforce investment* areas under this division.

27 (b) Administration, either directly or by contract with another
28 entity, of these statewide programs in service delivery areas that
29 request the state to assume this function.

30 (c) Administration of special assistance programs to areas
31 facing urgent employment and training needs that cross
32 jurisdictional lines or result from major plant closures under
33 Chapter 7.5 (commencing with Section 15075), arrival and
34 resettlement of significant numbers of refugees, or comparable
35 circumstances. Nothing in this section shall be construed as
36 modifying the manner in which federal Office of Refugee
37 Resettlement Funds are used in this state.

38 (d) The Employment Development Department shall be
39 responsible for the administration of demonstration programs

1 testing innovative approaches to assisting clients eligible under
2 this division to find unsubsidized employment, where feasible.

3 To the extent feasible, in implementing demonstration
4 programs designed for eventual merger into the statewide
5 programs operated by the administrative entity in ~~service delivery~~
6 *local workforce investment* areas under this division, the
7 Employment Development Department shall involve appropriate
8 local agencies in program planning and operation within the
9 demonstration sites. Once the demonstration programs are
10 completed, if they have proven to be effective in achieving the
11 intent and objectives of this division, the Employment
12 Development Department shall take the steps necessary to ensure
13 their implementation and integration wherever appropriate within
14 the statewide employment and training programs operated by the
15 administrative entity in the ~~service delivery~~ *local workforce*
16 *investment* areas.

17 *SEC. 56. Section 15051 of the Unemployment Insurance Code*
18 *is amended to read:*

19 15051. The department shall establish such rules, regulations,
20 and procedures as are necessary to govern the administration of the
21 provisions of this division and to assure that the legislative
22 purposes and intent are carried out. The regulations shall include
23 to the extent permitted by federal law:

24 (a) Standards and criteria for determining eligibility and
25 services priorities pursuant to Section 15011. These shall include,
26 but are not limited to, standards for insuring that a ~~service delivery~~
27 *local workforce investment* area plan gives appropriate priority to
28 public assistance recipients.

29 (b) Standards for determining appropriate and allowable
30 services and training activities, and entities providing services and
31 training. These shall include, but are not limited to, insuring that
32 all occupational skill training correspond to area labor market
33 demand, insuring that any training entity providing services has a
34 demonstrated record of past performances in training and placing
35 persons in unsubsidized private sector employment or offers
36 reasonable assurance that services provided will result in these
37 placements, and prohibiting contracting with entities whose
38 officers have been convicted of fraud or misappropriation of funds
39 within the last two years.

1 (c) Standards and criteria to be used in developing plans. These
2 shall include, but are not limited to, appropriate placement goals
3 and requirements for adequate public notice and opportunity for
4 public involvement in the development of ~~service delivery-local~~
5 *workforce investment* area plans.

6 (d) Standards, criteria, and procedures to be used by the
7 department in evaluating and approving ~~service delivery-local~~
8 *workforce investment* area plans.

9 (e) Standards for assuring adequate, efficient service delivery
10 area administration including standards for assuring efficient
11 service delivery area management information and financial
12 accounting systems.

13 (f) Standards and criteria for assuring effective coordination
14 and linkages with other agencies that deliver training and
15 employment-related services.

16 *SEC. 57. Section 15052 of the Unemployment Insurance Code*
17 *is amended to read:*

18 15052. The department shall review and approve plans
19 submitted under the provisions of Chapter 5 (commencing with
20 Section 15040) and Chapter 7.5 (commencing with Section
21 15075) in accordance with established standards and criteria for
22 determining the adequacy of a plan and shall allocate federal and
23 state funds to the grant recipient in a ~~service delivery-local~~
24 *workforce investment* area only upon approval of the plan.

25 *SEC. 58. Section 15053 of the Unemployment Insurance Code*
26 *is amended to read:*

27 15053. The department shall allocate to the grant recipient in
28 each ~~service delivery-local workforce investment~~ area an amount
29 of the federal and state funds annually appropriated for the
30 purposes and requirements of this division in accordance with the
31 federal ~~Job Training Partnership Act-Workforce Investment Act of~~
32 *1998* and this division. Funds may be allocated to the grant
33 recipient in each ~~service delivery-local workforce investment~~ area
34 on the basis of performance to the extent authorized by federal law
35 and this division.

36 *SEC. 59. Section 15054 of the Unemployment Insurance Code*
37 *is amended to read:*

38 15054. The department shall conduct ~~such-the~~ planning
39 activities as are required to assess job preparation and training
40 services needs, availability of resources to address that need and

1 private sector employment needs. The purpose of ~~such~~ *those*
2 planning is to provide the department with information necessary
3 to establish the standards, criteria priorities, and formulas required
4 by the provisions of this chapter.

5 *SEC. 60. Section 15055 of the Unemployment Insurance Code*
6 *is amended to read:*

7 15055. The department shall develop standards in accordance
8 with federal laws whereby the performance of programs in the
9 ~~service-delivery~~ *local workforce investment* area can be measured.
10 The department shall provide each ~~service-delivery~~ *local*
11 *workforce investment* area with these performance standards in
12 order that local ~~private industry councils~~ *local workforce*
13 *investment boards* can assess program achievements of the ~~service~~
14 ~~delivery~~ *local workforce investment* area. The standards shall:

15 (a) Recognize that performance may vary among the service
16 delivery areas due to economic conditions and to the employability
17 barriers confronting their eligible populations.

18 (b) Be based on participant outcome measures that are related
19 to the services provided, including obtaining unsubsidized
20 employment, tenure of employment, adequacy of wages received,
21 comparisons of wages before and after training, and other
22 measures as the department may determine appropriate.

23 (c) Be able to measure the avoidance of costs that would have
24 occurred had the employment and training services not been
25 provided in comparison with the costs of providing these services.

26 (d) Accommodate delays in job placement following
27 completion of training services due to illness or other
28 circumstances, including pregnancy.

29 *SEC. 61. Section 15056 of the Unemployment Insurance Code*
30 *is amended to read:*

31 15056. In accordance with its established standards, the
32 department shall monitor and evaluate the performance of
33 programs in the ~~service-delivery~~ *local workforce investment* area
34 including assessments of efficiencies of administration,
35 effectiveness of coordination and linkages with other training and
36 employment services resources. The department shall also
37 determine levels of achievement for ~~service-delivery~~ *local*
38 *workforce investment* areas. The purpose of these monitoring and
39 evaluation activities is to determine reasons for high and low levels
40 of program performance, administrative efficiencies, and program

1 coordination, and to determine the appropriate allocation of
2 performance-based funding pursuant to Section 15053. Based on
3 these determinations, the department shall provide technical
4 assistance and training to ~~service-delivery-local workforce~~
5 ~~investment~~ areas which promote the development of ~~service~~
6 ~~delivery-local workforce investment~~ area programs reflecting
7 models of demonstrated success.

8 *SEC. 62. Section 15056.6 of the Unemployment Insurance*
9 *Code is amended to read:*

10 15056.6. In order to ensure compliance with subdivision (g)
11 of Section 15032, the department shall provide training and
12 technical assistance to ~~service-delivery-local workforce investment~~
13 areas in developing nontraditional employment training programs
14 for women.

15 *SEC. 63. Section 15057 of the Unemployment Insurance Code*
16 *is amended to read:*

17 15057. The Employment Development Department shall
18 assure that the services and resources provided by its labor
19 exchange function, labor market information system, and
20 employment services network, including job agents, are fully
21 supportive of the ~~service-delivery-local workforce investment~~
22 areas. The Employment Development Department shall assure
23 that its local offices develop operational plans which are
24 coordinated with and support the development and operation of
25 annual plans prepared pursuant to this division.

26 *SEC. 64. Section 15061 of the Unemployment Insurance Code*
27 *is amended to read:*

28 15061. (a) The department shall develop and maintain those
29 fiscal control, accounting, auditing, and debt collection
30 procedures that are necessary to assure proper disbursement of and
31 accounting for the state and federal funds appropriated for the
32 purposes and requirements of this division.

33 (b) If the state or a service delivery area has established a final
34 debt against a ~~Job Training Partnership Act Workforce Investment~~
35 ~~Act of 1998~~ service provider and the service provider has not paid
36 the final debt or has not established a payment plan agreed to by
37 the department within 60 days after the debt is established as final,
38 the service provider shall be barred from receiving ~~Job Training~~
39 ~~Partnership Act Workforce Investment Act of 1998~~ funds in the
40 future from either the state or from any ~~service-delivery-local~~

workforce investment area. The department shall publish a list of service providers who are barred from receiving ~~Job Training Partnership Act~~ Workforce Investment Act of 1998 funds by May 1 of each year.

SEC. 65. Section 15071 of the Unemployment Insurance Code is amended to read:

15071. To assure compliance with legislative intent regarding the content and availability of vocational education programs provided by community colleges, school districts, and regional occupational centers and programs, each local private industry council shall for programs provided in the ~~service delivery~~ local workforce investment area, review and comment on the vocational education courses or programs subject to review pursuant to Sections 52302.3, 52520, and 78016 of the Education Code. The ~~council~~ board shall conduct its review prior to the review of the appropriate governing body as required by Section 52302.3 of the Education Code and the ~~council~~ board shall notify the governing body of its determinations.

SEC. 66. Section 15075 of the Unemployment Insurance Code is amended to read:

15075. The Legislature recognizes that fundamental shifts occur within the economy which result in the closure of existing production facilities, retail establishments, and business institutions, or in severe reduction in employment opportunities, which bring about mass layoffs and consequent economic hardship to many California families. In order to assist these families in regaining economic security, and in conformance with the provisions of Title III of the federal ~~Job Training Partnership Act~~ Workforce Investment Act of 1998, as amended, and Chapter 6 (commencing with Section 15050), the Dislocated Workers Assistance Program is hereby established.

SEC. 67. Section 15075.1 of the Unemployment Insurance Code is amended to read:

15075.1. Each service delivery area shall be a substate area and the administrative entity of each service delivery area shall be the substate grantee for purposes of ~~Title III of the Job Training Partnership Act~~ Workforce Investment Act of 1998, except when groups of service delivery areas elect to become consortium substate areas with the approval of the ~~State Job Training Coordinating Council~~ California Workforce Investment Board.

1 SEC. 68. Section 15076 of the Unemployment Insurance Code
2 is amended to read:

3 15076. The ~~private industry councils—local workforce~~
4 ~~investment boards~~ in each ~~service delivery—local workforce~~
5 ~~investment~~ area shall recommend and approve an employment and
6 training plan for displaced workers, which shall meet the
7 requirements of the federal ~~Job Training Partnership Act~~
8 *Workforce Investment Act of 1998*, and in addition provide for each
9 of the following:

10 (a) Identification, in conjunction with the Employment
11 Development Department, of individuals eligible for assistance
12 due to any of the following facts:

13 (1) The individuals have been terminated or laid off or have
14 received a notice of termination or layoff from employment, are
15 eligible for or have exhausted their entitlement to unemployment
16 compensation, and are unlikely to return to their previous industry
17 or occupation.

18 (2) The individuals have been terminated from employment, or
19 have received a notice of termination of employment, as a result
20 of any permanent closure of, or substantial layoff at, a plant,
21 facility, or enterprise.

22 (3) The individuals are long-term unemployed and have
23 limited opportunities for employment or reemployment in the
24 same or a similar occupation in the area in which they reside,
25 including older individuals who have had substantial barriers to
26 employment by reason of age.

27 (4) The individuals were self-employed (including farmers and
28 ranchers) and are unemployed as a result of general economic
29 conditions in the community in which they reside or because of
30 natural disasters.

31 (5) The individuals are displaced homemakers who may be
32 provided services as additional dislocated workers without
33 adversely affecting the delivery of services to eligible dislocated
34 workers.

35 (b) Determination of job opportunities that exist within the
36 local labor market area or outside the labor market area for which
37 displaced workers could be retrained, and determination of what
38 training for identified employment opportunities exists or could be
39 provided within the local area. This determination shall be
40 undertaken by use of both of the following:

(1) The State-Local Cooperative Labor Market Information Program established in Section 15074.

(2) As appropriate, representatives of the Employment Training Panel in accordance with its functions pursuant to Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3, and representatives of the Trade and Commerce Agency as provided in Article 3.5 (commencing with Section 15340) of Chapter 1 of Part 6.7 of Division 3 of the Government Code.

(c) Informing eligible displaced workers of training opportunities. This process shall be undertaken in conjunction with the Employment Development Department.

(d) A program for dislocated workers assistance drawing, as appropriate, upon existing facilities and resources, which may include, but not be limited to, all of the following:

(1) Dislocated worker employment services and related assistance, provided that employment-related services are coordinated with, and do not duplicate, those available and accessible services of the Employment Development Department, including all of the following:

(A) Job search assistance.

(B) Job development.

(C) Support services, such as financial and personal counseling, child care and related children's services, and assistance in obtaining equipment and supplies necessary for retraining or new employment.

(D) Relocation assistance, if it is determined that an eligible individual cannot obtain employment in the commuting area and has secured suitable long duration employment or a bona fide job offer.

(E) Prelayoff assistance.

(F) Programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of closures of plants or facilities.

(2) Training in job skills for which demand exceeds supply, including, where feasible, job training administered by the Employment Training Panel pursuant to Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3.

(3) Commuting assistance, consistent with the Displaced Worker Transportation Program established pursuant to Section 14002.5 of the Government Code.

(e) Consultation with affected labor organizations, in the case of any assistance program that will provide services to a substantial number of members of these labor organizations.

(f) Involvement of displaced workers in program delivery, including, as appropriate, paid employment for these individuals in providing services under the program.

(g) Utilization of services and resources from other sources, public and private, and specific procedures for coordination with other programs, in order to maximize services for displaced workers and their families and increase employment and training opportunities. Examples of programs to be included are the following:

(1) Other employment and training and education programs.

(2) Social services, including child care and related children's services.

(3) Housing programs, including low-income weatherization and home energy conservation programs.

(4) Transportation related programs, including highway, bridge, and mass transit construction and repair.

(5) Other programs related to infrastructure development and repair.

(6) Economic development programs deemed applicable.

(h) Contracting with the Employment Development Department in order to provide funding for special services the department is to provide under the local displaced worker assistance program.

(i) Coordination with neighboring jurisdictions, in cases of plant closings or mass layoffs that cross service delivery areas.

(j) A system of program and fiscal accountability to ensure maximum benefit from the expenditure of federal and state funds and that is consistent with procedures established in the state's job training plan pursuant to ~~Section 121 of the federal Job Training Partnership Act (Public Law 93-700)~~ *the Workforce Investment Act of 1998*, as amended, including all of the following:

(1) Performance goals and standards, established by the ~~State Job Training Coordinating Council~~ *Workforce Investment Act of 1998*, including standards for both of the following:

- 1 (A) Placement and retention in unsubsidized employment.
2 (B) Earnings and wages.
3 (2) Procedures for reporting on the outcome of the program,
4 which include all of the following:
5 (A) A description of activities conducted.
6 (B) Characteristics of participants.
7 (C) The extent to which the activities conducted achieved
8 relevant performance goals.
9 (3) Fiscal control, accounting, audit, and related provisions.
10 (k) Identification of the administrative entity of the local
11 service delivery area or consortium that shall also receive the
12 60-day notification required to be given to units of local
13 government pursuant to the federal Worker Adjustment and
14 Retraining Notification Act (Public Law 100-379).
15 (l) Integration of services and benefits available under Chapter
16 2 of Title II of the federal Trade Act of 1974 (19 U.S.C. Sec. 2101
17 and following) and Article 1.5 (commencing with Section 1266)
18 of Chapter 5 of Part 1 of Division 1.
19 The plan shall be reviewed and approved according to Sections
20 15045 and 15046.
21 *SEC. 69. Section 15077 of the Unemployment Insurance Code*
22 *is amended to read:*
23 15077. The Employment Development Department shall do
24 all of the following:
25 (a) Review and approve the plans for displaced workers'
26 assistance submitted pursuant to Section 15076.
27 (b) According to policies established by the ~~State Job Training~~
28 ~~Coordinating Council~~ *California Workforce Investment Board* and
29 state law, coordinate displaced workers assistance efforts in
30 situations where plant closures or layoffs within an industry have
31 a significant statewide impact.
32 (c) Encourage and coordinate early identification of situations
33 of potential plant closures, and provide any assistance that may be
34 necessary to alleviate economic dislocation.
35 (d) Provide assistance to the Trade and Commerce Agency in
36 active recruitment of replacement industries or establishments.
37 (e) Cooperate with the Employment Training Panel in the
38 coordination of training and services for displaced workers
39 eligible under Chapter 3.5 (commencing with Section 10200) of
40 Part 1 of Division 3.

1 (f) Serve as the state agency providing any information and
2 procedural activities that may be required by the federal
3 government to ensure federal funding for dislocated workers
4 assistance.

5 (g) Provide for the submission of applications to the United
6 States Secretary of Labor for additional federal funding to the state
7 in accordance with Title III of the federal ~~Job Training Partnership~~
8 ~~Act (Public Law 93-700)~~ *Workforce Investment Act of 1998*, as
9 amended.

10 (h) Operate a monitoring, reporting, and management system
11 that provides an adequate information base for effective program
12 planning, management, review, and evaluation.

13 (i) Administer federal and state funds appropriated for the
14 support of demonstration and special assistance programs for
15 dislocated workers.

16 (j) Provide specific periodic notification to employers of 100
17 or more employees of their potential responsibilities under the
18 federal Worker Adjustment and Retraining Notification Act (P.L.
19 100-379), the availability of services to employees and employers
20 under this and other state laws, and instructions on how to comply
21 with those laws and obtain appropriate services.

22 *SEC. 70. Section 15077.5 of the Unemployment Insurance*
23 *Code is amended to read:*

24 15077.5. To assure rapid response assistance to dislocated
25 workers and their communities, there shall be in the Employment
26 Development Department a State Dislocated Worker Unit, which
27 shall do all of the following:

28 (a) Provide a special statewide program of assistance for
29 displaced workers, consistent with the requirements for local
30 programs under this chapter. This program shall be available to
31 address sudden or severe economic dislocation under any of the
32 following circumstances:

33 (1) A community, through its private industry council, board of
34 supervisors, or other applicable local elected officials, requests or
35 accepts state services.

36 (2) The private industry council or substate grantee does not
37 respond within 30 days after notification by the Employment
38 Development Department of a plant closure or mass layoff, or if
39 the Employment Development Department determines that the
40 plan does not sufficiently meet the needs of displaced workers.

(3) Where a plant closure or substantial reduction in employment at a worksite affects workers residing in more than one service delivery area, and there is no coordinated plan among affected areas.

(b) Work with employers and labor organizations in promoting labor-management cooperation to achieve the goals of this chapter, in accordance with policies established by the state council.

(c) Be the designated state agency for purposes of receiving the 60-day notification required by the federal Worker Adjustment and Retraining Notification Act, Public Law 100-379.

(d) Provide for rapid onsite response, pursuant to local plans described in Section 15076, to permanent closures and substantial layoffs throughout the state to assess the need for, and initially provide, appropriate services to dislocated workers.

(e) Provide immediate information to local entities about state and federal programs, including economic development assistance, which can serve displaced workers, their families, and communities.

(f) Assist in the coordination of programs provided under ~~Title III of the Job Training Partnership Act~~ *the Workforce Investment Act of 1998*, as amended, with programs and services provided by state and local education and training agencies, public assistance agencies, the Employment Development Department, rehabilitation agencies, economic development agencies, and other entities which carry out activities pertinent to successful positive adjustment on the part of displaced workers and their families and communities.

(g) Prepare a plan, to be included in the coordination and special services plan required by Chapter 4.5 (commencing with Section 10510) of Part 1 of Division 3, to assure rapid and effective state response to local entities requesting assistance in developing programs for displaced workers, which shall be submitted for approval to the ~~State Job Training Coordinating Council~~ *California Workforce Investment Board* for inclusion in the plan required by Section 10525. The plan shall include specific procedures for enabling private industry councils, entities administering job training plans for displaced workers under the ~~federal Job Training Partnership Act~~ *the Workforce Investment Act of 1998*, as amended, workers, firms, and communities to access

1 each of the federal and state resources appropriate for serving
2 displaced workers. The plan shall facilitate development and
3 implementation of local dislocated workers assistance programs
4 pursuant to this chapter.

5 (h) Report to the ~~State Job Training Coordinating Council~~
6 *California Workforce Investment Board* on the type and number of
7 requests it receives and the results of its assistance.

8 (i) Seek the participation and advice of individuals
9 representative of local government, business, and labor in
10 fulfilling its responsibilities. The advice of those persons shall be
11 drawn upon to assure effective assistance by the state, responsive
12 to particular community needs and circumstances.

13 *SEC. 71. Section 15078 of the Unemployment Insurance Code*
14 *is amended to read:*

15 15078. Funds allocated to the state under ~~Section 302(d) of~~
16 ~~the federal Job Training Partnership Act~~ *Workforce Investment Act*
17 *of 1998*, as amended, shall be allocated to ~~service delivery local~~
18 *workforce investment* areas based on an allocation formula which
19 shall utilize the most appropriate information needed to distribute
20 funds to address the state's dislocated worker readjustment needs,
21 and shall include, but not be limited to, all of the following, in
22 accordance with federal law:

- 23 (a) Insured unemployment data.
- 24 (b) Unemployment concentrations.
- 25 (c) Plant closing and mass layoff data.
- 26 (d) Declining industries data.
- 27 (e) Farmer-rancher economic hardship data.
- 28 (f) Long-term unemployment data.

29 Upon approval of the ~~State Job Training Coordinating Council~~
30 *California Workforce Investment Board*, the director shall
31 promptly publish the allocation formula.

32 Nothing in this section shall prohibit the ~~council board~~ from
33 establishing a minimum level of funding for ~~service delivery local~~
34 *workforce investment* areas.

35 *SEC. 72. Section 15079 of the Unemployment Insurance Code*
36 *is amended to read:*

37 15079. (a) In order to maximize employment and training
38 services to displaced workers, it is the intent of the Legislature that
39 unemployment insurance benefits be payable to unemployed
40 workers enrolled in retraining, in accordance with Article 1.5

(commencing with Section 1266) of Chapter 5 of Part 1 of Division 1. As part of its education and job training report card program, the ~~State Job Training Coordinating Council~~ *California Workforce Investment Board*, or its successor, shall annually report on program outcomes. Beginning in 2001, the report shall include, at a minimum, the number of individuals who complete training, a demographic profile of these individuals, the percentage of these individuals who are found in California unemployment insurance covered employment after the training, the rate of change in the unemployment status of these individuals, the amount of the Unemployment Insurance Fund benefits paid to program participants, and any other data deemed relevant.

(b) ~~Service-delivery~~ *Local workforce investment* areas may provide, to the extent permitted by federal law, needs-related payments to eligible dislocated workers who do not qualify for, or have exhausted, unemployment insurance benefits, in order to enable these workers to participate in job training and education programs authorized by this chapter.

SEC. 73. *Section 15081 of the Unemployment Insurance Code is amended to read:*

15081. The Consolidated Work Program Fund shall provide a single source of funding to be allocated by the department to ~~service-delivery~~ *local workforce investment* areas in accordance with the requirements of Sections 15007 and 15053 for funding services provided pursuant to ~~service-delivery~~ *local workforce investment* area plans and the provisions of this division. The purpose of the Consolidated Work Program Fund is to assure more efficient, equitable, and appropriate use of available resources and to provide greater flexibility in responding to the needs of persons receiving services under ~~service-delivery~~ *local workforce investment* area plans.

Nothing in this division shall be construed to preclude the provision of funds through service delivery area plans for programs or services designed to serve the employment needs of disabled individuals otherwise eligible for services under the provisions of Chapter 2 (commencing with Section 15010) or to require funds transferred pursuant to subdivision (d) of Section 15082 to be allocated to ~~service-delivery~~ *local workforce investment* areas.

1 *SEC. 74. Section 15082 of the Unemployment Insurance Code*
2 *is amended to read:*

3 15082. Federal and state funds to be transferred to the
4 Consolidated Work Program Fund shall include all of the
5 following:

6 (a) That portion of the federal employment and training funds
7 received by the state that is designated for the purpose of local
8 delivery of employment and training services, except for those
9 funds designated for employment activities under Title IV-A and
10 IV-C of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.
11 and Sec. 630 et seq.) and the Food Stamp Act (7 U.S.C. Sec. 2011
12 et seq.).

13 (b) Reinvestment of a portion of state public assistance grant
14 savings reasonably attributable to the operation of this program.
15 The Governor's Budget shall annually identify the savings
16 resulting from the prior fiscal year's program operations and
17 recommend the portion, if any, to be applied toward program
18 funding during the budget year.

19 (c) Federal funds received by the state pursuant to ~~Sections 202~~
20 ~~(e)(1) and 262(e)(1) and Title III of the federal Job Training~~
21 ~~Partnership Act Workforce Investment Act of 1998.~~ However,
22 these funds shall be allocated pursuant to subdivision (e) of
23 Section 15037 and Section 15078.

24 *SEC. 75. Section 15087 of the Unemployment Insurance Code*
25 *is amended to read:*

26 15087. Upon completion of demonstration programs which it
27 has administered, the Employment Development Department
28 shall take all steps necessary to ensure the implementation and
29 integration within the ~~service delivery~~ local workforce investment
30 area's employment and training services programs of those
31 demonstration models of proven effectiveness for achieving the
32 intent and objectives of this division.

33 *SEC. 76. The Legislature finds and declares that the federal*
34 *Workforce Investment Act of 1998 is the successor to the federal*
35 *Job Training Partnership Act. The Legislature further finds and*
36 *declares that this act is intended to make technical, nonsubstantive*
37 *changes to California unemployment insurance law to reflect the*
38 *changes in federal law. This act shall be construed to so as to not*
39 *make any substantive, including fiscal, changes to the law in effect*
40 *immediately preceding the enactment of this act.*

Insurance Code is amended to read:

15037.1. (a) The state council shall be responsible for developing an education and job training report card program to assess the accomplishments of California's workforce preparation system.

(1) A subcommittee of the state council shall be established for this purpose.

(2) The subcommittee shall be comprised of three private sector members of the state council, the director of the department, the Superintendent of Public Instruction, the Chancellor of the California Community Colleges, or their designees, and representatives of programs that are to be measured under the report card program.

(3) The subcommittee shall be responsible for designing and implementing, or contracting with an operating entity for the implementation of, a system that can compile, maintain, and disseminate information on the performance of providers, programs, and the overall workforce preparation system.

(b) By January 1, 2001, the subcommittee or an operating entity under contract to the subcommittee shall operate a comprehensive performance-based accountability system that matches the social security numbers of former participants in state education and training programs with information in files of state and federal agencies that maintain employment and educational records and identifies the occupations of those former participants whose social security numbers are found in employment records.

(c) This system shall measure the performance of state and federally funded education and training programs for the purpose of system, program, and instructional improvement. Programs to be measured shall include programs in receipt of funds from the Workforce Investment Act, the Carl D. Perkins Vocational Education Act, the Job Opportunities and Basic Skills program, the Food Stamp Employment and Training program, the Wagner Peyser Act, the Employment Training Panel, adult education programs as defined by paragraph (9) of subdivision (b) of Section 10521, basic vocational rehabilitation services as defined by Part B of Title 1 of the federal Vocational Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 701 et seq.), vocational education programs, and certificated community college programs.

1 ~~(d) Job training and education providers receiving funding~~
2 ~~identified in subdivision (c) shall, to the extent permitted by~~
3 ~~federal law, request social security numbers from each participant~~
4 ~~18 years of age and over and not currently enrolled in high school~~
5 ~~and participating in a workforce preparation program and shall~~
6 ~~report to the subcommittee or an operating entity under contract~~
7 ~~to the subcommittee, as the case may be, on participant social~~
8 ~~security numbers and economic and demographic characteristics,~~
9 ~~including, but not limited to, age, gender, race or ethnicity, and~~
10 ~~education achievement. The state council shall establish the~~
11 ~~acceptable format and timeframes for data submission.~~

12 ~~(e) The system shall be designed to measure factors such as:~~

13 ~~(1) Amount and source of funding.~~

14 ~~(2) Program entrance and successful completion rates.~~

15 ~~(3) Employment and wage information for one and three years~~
16 ~~after completion of training.~~

17 ~~(4) The relationship of training to employment.~~

18 ~~(5) Academic achievement for one and three years after~~
19 ~~completion of training.~~

20 ~~(6) Achievement of industry skill standard certifications,~~
21 ~~where they exist.~~

22 ~~(7) Return on public investment.~~

23 ~~(f) Based upon the information compiled pursuant to this~~
24 ~~section, the subcommittee or an operating entity under contract to~~
25 ~~the subcommittee, as the case may be, shall, by December 31,~~
26 ~~1997, and each December 31 thereafter, do all of the following:~~

27 ~~(1) Prepare and disseminate report cards for all training and~~
28 ~~education providers in receipt of funds included in the tracking~~
29 ~~system.~~

30 ~~(2) Prepare and disseminate local and statewide report cards~~
31 ~~that measure the outcomes of the individual programs that operate~~
32 ~~as part of the workforce development system.~~

33 ~~(3) Prepare and disseminate a state report card that measures~~
34 ~~the performance of the entire system of workforce preparation and~~
35 ~~the effectiveness of the system in meeting employers' needs for~~
36 ~~educated and trained workers and the clients' needs for improving~~
37 ~~their economic well-being.~~

38 ~~(g) The state council shall develop objective performance~~
39 ~~standards emphasizing the principles of continuous improvement~~
40 ~~for the programs covered under this section, and a system of~~

1 ~~sanctions and incentives to encourage performance that meet these~~
2 ~~standards.~~

3 ~~(h) The state council shall explore the feasibility of including~~
4 ~~the following persons in this system:~~

5 ~~(1) Attendees at private postsecondary institutions.~~

6 ~~(2) Recipients of federal student loans.~~

7 ~~(3) Recipients of Pell grants.~~

8 ~~(4) Pupils in grades 11 and 12.~~

9 ~~(5) Students enrolled in any community college, California~~
10 ~~State University, or University of California program.~~

11 ~~(i) The sole purpose of this section is to assess the performance~~
12 ~~of state and federal employment and training providers and~~
13 ~~programs in preparing Californians for the workforce. Collection~~
14 ~~and use of social security numbers pursuant to this section shall be~~
15 ~~consistent with the requirements of Section 7 of the federal Privacy~~
16 ~~Act of 1974 (P.L. 93-579) and Section 405(e)(2)(C) of Title 42 of~~
17 ~~the United States Code. Notwithstanding Chapter 3.5~~
18 ~~(commencing with Section 6250) of Division 7 of Title 1 of the~~
19 ~~Government Code, or any other provision of law, the social~~
20 ~~security number of any person obtained pursuant to this section is~~
21 ~~not a public record, and shall not be disclosed except for the~~
22 ~~purpose of this section. Information obtained pursuant to this~~
23 ~~section shall not be sold or distributed to any entity without prior~~
24 ~~consent from the individual, or his or her parent or guardian, with~~
25 ~~respect to whom the information is gathered. This subdivision~~
26 ~~does not prohibit the exchange of information with other~~
27 ~~governmental departments and agencies, both federal and state,~~
28 ~~that are concerned with the administration of workforce~~
29 ~~development programs. Neither the subcommittee nor an~~
30 ~~operating entity under contract to the subcommittee, as the case~~
31 ~~may be, may make public any information that could identify an~~
32 ~~individual or his or her employer.~~

33 ~~(j) An education and training program that requires~~
34 ~~information gathered by the education and job training report card~~
35 ~~program shall use the report card program and shall not initiate~~
36 ~~automated matching of records in duplication of methods already~~
37 ~~in place as a result of the report card program.~~

38 ~~(k) Funding for the development and maintenance of the~~
39 ~~education and job training report card program shall be made~~
40 ~~available on a shared basis by the programs the report card~~

1 ~~program is measuring, to the extent authorized by federal and state~~
2 ~~law. The subcommittee, or the operating entity under contract to~~
3 ~~the subcommittee, shall have the authority to assess each of the~~
4 ~~programs with an appropriate share of the costs of the report card~~
5 ~~program. Administrative funds currently used for program~~
6 ~~followup activities for the identified programs shall be redirected~~
7 ~~for this purpose, if authorized by federal law.~~
8 ~~(1) The state council shall apply for any federal waivers that~~
9 ~~may be necessary to implement this section.~~

